STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: BIG K ENERGY CORPORATION, AND BIG K ENERGY PARTNERS ONE, LTD., OFFICERS AND DIRECTORS, AGENTS, EMPLOYEES, PARTNERS, SUCCESSORS AND ASSIGNS AND KENNETH M. KLEINKE INDIVIDUALLY

FILE NO. 1100476

TEMPORARY ORDER OF PROHIBITION

TO RESPONDENTSS:

Big K Energy Partners One, Ltd.

c/o Darrell L. Clements, Registered Agent

17110 Dallas Parkway, Suite 214

Dallas, Texas 75248

Big K Energy Corporation, General partner

Big K Energy Partners One, Ltd.

c/o Darrell L. Clements, Registered Agent

17110 Dallas Parkway, Suite 214

Dallas, Texas 75248

Kenneth Klienke

c/o Big K Energy Corporation 100 Park Row Avenue, Apt.C

Long Beach, Mississippi 39560-4833

Kenneth Klienke

c/o Big K Energy Partners One, Ltd.

P.O. Box 1466

Long Beach, Mississippi 39560-1466

On information and belief, I, Jesse White, Secretary of State for the State of Illinois, through my designated representative, who has been fully advised in the premises by the staff of the Securities Department, Office of the Secretary of State, herein find:

- 1. That Respondents Big K Energy Partners One, Ltd., a Texas limited partnership ("Partners") maintained its principal business address at 100 Park Row Avenue, Suite C, Long Beach, Mississippi 39560-4826.
- 2. That Respondents Big K Energy Corporation, a Texas corporation ("Corporation") maintained a business address at 100 Park Row Avenue, Apt. C, Long Beach, Mississippi 39560-4833.
- 3. That Respondents Kenneth M. Klinke, President of Corporation and general partner, owner and operator of Partners, an individual, ("Kleinke"), collectively with Corporation and Partners ("Respondentss") maintained a business address at 100 Park Row Avenue, Apt. C, Long Beach, Mississippi 39560-4833.
- 4. That during the summer of 2010, Respondents, by and through its Officers, Directors, Partners, Employees, Affiliates, Successors, Agents and Assigns, caused to be placed a Pop Up Ad, (the "Ad") appearing on the web page "http://www.OilGasVentures.Com," which was viewed by at least one (1) Illinois resident (the "Investor").
- 5. That Respondents' Ad was answered via email wherein the Investor left his name, email address and telephone number.
- 6. That a representative of Respondents then called the Investor and pursued a relationship with Investor for the purpose of selling Investor working interests ("Units") in Big K Energy Partners One, Ltd., Scurry-Mitchell No. 1-Joint Venture at the price of \$67,500.00 (sixty-seven thousand five hundred) dollars per unit (the "Offering").
- 7. The purpose of the offering was to raise funds for "drilling, testing and completion plus acreage."
- 8. That Respondents' representative told the Investor he would then receive \$30,000.00 (thirty-thousand) or more dollars per month. Investor was further told that this "is a can't miss well" and that Respondents were "so close to hitting oil." In fact their "geologic analysis proved without a doubt there is oil and gas."
- 9. Subsequent to the foregoing solicitation, the Investor purchased the Offering, and on September 13, 2010 signed a subscription agreement with Respondents. On November 2, 2010, Investor wired Corporation the amount of \$18,500.00 (eighteen-thousand five hundred) dollars and on November 10, 2010 wired the balance of \$49,000.00 (forty-nine thousand) dollars to Corporation.
- 10. That on June 8, 2011, after much touting by the Respondents regarding the progress on the September 13, 2010 investment, Investor purchased a second unit in Big K Energy Partners One, Ltd., Scurry-Mitchell No. 1- Joint Venture.
- 11. On June 16, 2011 Respondent sent Investor a letter informing him that the well was dry.

- 12. That the activities described in paragraphs 4 through 9 above constitute the offer and sale of a certificate of participation in a profit-sharing agreement or an investment contract and therefore a security as those terms are defined in Sections 2.1, 2.5 and 2.5a of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act").
- 13. That Section 5 of the Act provides, <u>inter alia</u>, that all securities except those exempt under Section 3 or those offered or sold in transactions exempt under Section 4 shall be registered either by coordination or by qualification prior to their offer or sale in the State of Illinois.
- 14. That Respondents failed to file with the Secretary of State an application for registration of the securities described above as required by the Act and as a result the security was not registered pursuant to Section 5 of the Act prior to its offer and sale in the State of Illinois.
- 15. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to offer or sell any security except in accordance with the provisions of the Act.
- 16. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation for any person to fail to file with the Secretary of State any application, report or document required to be filed under the provisions of the Act or any rule or regulation made by the Secretary of State pursuant to the Act.
- 17. That by virtue of the foregoing, Respondents have violated Sections 12.A and 12.D of the Act.
- 18. That the aforementioned findings are based upon credible evidence.
- 19. That Section 11.F(2) of the Act provides, <u>inter alia</u>, that the Secretary of State may temporarily prohibit the offer or sale of securities by any person, without notice and prior hearing, if the Secretary of State shall deem it necessary to prevent an imminent violation of the Act or to prevent losses to investors that will occur as a result of prior violations of the Act.
- 20. That the entry of this Temporary Order prohibiting Respondents, or their officers, directors, agents, employees, members, managers, partners, affiliates, and successors, from offering or selling the above-referenced securities in the State of Illinois is in the public interest and for the protection of the investing public and is consistent with the purposes intended by the provisions of the Act.

NOW THEREFORE IT IS HEREBY ORDERED THAT: pursuant to the authority granted by Section 11.F of the Act, Respondents, Big K Energy Corporation, Big K Energy Partners One, Ltd., their officers, directors, agents, employees, members, managers, partners, affiliates, and successors, and Kenneth M. Kleinke, individually are PROHIBITED from offering or selling securities in or from this State until further Order of the Secretary of State.

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NOTICE is hereby given that Respondentss may request a hearing on this matter by transmitting such request in writing to the Director, Illinois Securities Department, 69 West Washington Street, Suite 1220, Chicago, Illinois 60602. Such request must be made within thirty (30) calendar days of the date of entry of the Temporary Order of Prohibition. Upon receipt of a request for hearing, a hearing will be scheduled as soon as reasonably practicable. A request for hearing will not stop the effectiveness of this Temporary Order and will extend the effectiveness of this Temporary Order for sixty days from the date the hearing request is received by the Department.

FAILURE BY ANY RESPONDENTS TO REQUEST A HEARING WITHIN THIRTY (30) CALENDAR DAYS AFTER ENTRY OF THIS TEMPORARY ORDER OF PROHIBITION SHALL CONSTITUTE AN ADMISSION OF ANY FACTS ALLEGED HEREIN AND SHALL CONSTITUTE SUFFICIENT BASIS TO MAKE THIS TEMPORARY ORDER OF PROHIBITION FINAL.

ENTERED: This 13th day, of January 2012.

JESSE WHITE
Secretary of State
State of Illinois

Attorney for the Secretary of State:

Samuel F. Freiman Illinois Securities Department 69 West Washington Street, Suite 1220 Chicago, Illinois 60602 312-793-3384